

Coventry Fire District Meeting  
Friday, June 12, 2015

Anthony Fire Station

571 Washington Street, Coventry RI 02816

7:00 pm

**Emergency Meeting**

Agenda

1. Emergency Evacuation Procedure
2. Pledge to the Flag
3. Roll Call
4. Discussion and approval or disapproval of Union concession offer for the remainder of FY 2015
5. Discussion and approval of proposed supplemental tax increase for FY 2015
6. Discussion and approval of ballot for June 17 referendum
7. Adjourn Meeting

Meeting is called to order. Emergency exits pointed out. Pledge of Allegiance, Roll Call. Board members present, Frank Palin, John Cook, Sam Rachiele, Brenda Raposo. Other attendees present, Attorney for the Board Tim Williamson and Dave Krekorian, Board Treasurer.

Frank turns meeting over to Tim who will discuss agenda item #4, Union concessions for remainder of FY 2015.

Tim begins by stating that there is no memorandum yet, there is a document that has been approved by the Union at their meeting today (06/12/2015) and confirmed via a phone call to David Gorman a half hour prior. Tim refers to a document provided to the Board containing the substance of Union meeting. Key points being.

- a. Savings of approx. \$62,000.00 from changes to 2 Personnel positions
- b. \$22,500.00 savings by switching to a high deductible health/dental plan
- c. Reducing post-employment health contributions for a savings of \$56,000.00
- d. Eliminating the clothing allowance for a savings of \$9,600.00
- e. Eliminating incentive pay for cardiac saving \$16,900.00
- f. Reducing minimum staffing from 4 to 3, eliminating overtime for a savings of \$159,285.00. The elimination of overtime pay for the rest of the fiscal year and paying straight time would save an additional \$39,750.00

Total hard savings of about \$315,000.00. (of the \$350,000.00 dollar figure discussed) realized through the next 6 months. Other soft savings would be the replacement of the Fire Marshall full time position with a part time or per diem position, then switching to a 24 hour shift schedule like West Warwick has. Without a change in platoon and just a change in the way the dollars are allocated combined with the soft savings, there should be a savings of \$350,000.00 through the end of this fiscal year.

Moving on to collective bargaining we are at an impasse but will continue to speak to resolve what we can for fiscal years 16,17 and 18 depending on the term of the contract. Tim points out that David Gorman is present and states any questions related to the Union meeting can be directed to him, but

cautions that this is not a collective bargaining session and you cannot ask for anything more than what has been presented to you. Brenda asks when that meeting will be finalized. Tim states that he thinks by Thursday (6/18). Tim states that without the tax increase he doubts the Union will be in a position to sign an MOA and we will have to see what happens on Wed (6/17 referendum).

Frank Palin invites comments. John Cook asks Dave Gorman for clarification on 4 person / 3 person shift whereas if there is a 4 person shift and one person calls out, the shift will continue with 3 persons.

John D'Onofrio arrives and is added to roll call. Frank Palin, on behalf of the Board, takes a moment to thank David Gorman and the all the Firefighters in the Union.

Hard savings and soft savings repeated by Tim Williamson for attendee, who compliments the board and the union. Frank explains to public that we are saving an average of approximately \$22,000.00 per Union Firefighter

John Cook makes a motion to accept the concessions the Union has presented to the Board, seconded by Sam Rachiele, all in favor, aye. Motion Carries.

Moving on to Agenda item 5 Discussion and approval of proposed supplemental tax increase for FY 2015. Tim Williamson presents Explanation of \$900,000.00. It came about two separate ways.

1. Looking at what is currently owed, what expenditures cannot be pushed into 2016.
2. Looking at 31% reduction in the district's budget, much like the reduction in Central Coventry.

Numbers came up between \$900,000.00 and \$930,000.00. With the concessions made by the Union, Tim suggested the district ask for a supplemental tax increase of \$600,000.00. The reason that we

ask for that is because we have no way on knowing whether 100% of that will be collected. Current collection rate around 83%. Based upon the document provided by Mr. D'Onofrio, the residential tax rate will be increased by .85 cents and the Commercial, Industrial and Tangible rate will be increased by \$1.27. The new tax levy of \$600,000.00 would be utilized by the board to address all of its financial issues, expenses, modified collective bargaining agreements and issues pertaining to OPEB, and pension also the creation of a new reserve account and capital account. Frank and Tim invite questions. John D'Ononfrio questions whether this supplemental tax is one time. Tim explains that it is a one-time supplemental tax increase, added to the levy so when the board is presenting its budget for 2016 it will start off with the new rate. It will not revert back. Tim explains that although there have been tax increases over the last 10 years, they have not been significant enough to keep up with the expenses of this district.

Questions again are invited by Mr. Palin. Roland Gamlin of 10 White Rock Road asks the board if they are confident that .85 cents is going to be enough. Tim states that if there are no catastrophes, no serious injuries, and no IOD issues, and nothing breaks down, hopefully this will be enough. We have to face the political reality of going to the taxpayer with something more than that. Frank adds that the request we are making are reasonable and prudent. Tim mentions a new kamikaze approach to tax sales, as long as it's within the law. That new revenue, if we can pick up a certain percentage of it now, should compensate the uncollected percentage. Tim continues that we are realizing that we have \$600,000 and may not collect all of it, but with tax sales we will hopefully make up the difference and that would help offset any further increase in the tax rate.

Robert A Dipadua of 62 Laurel Ave. asks how this supplemental tax bill will go out. Tim explains that it will be a one-

time supplemental bill. Taxpayers will still be responsible for their 3<sup>rd</sup> and 4<sup>th</sup> quarter payments. Mr. Dipadua confirms that is not an add on bill to his last two quarters but a separate bill. Tim wants everyone to be clear that in the event that you cannot pay this one time tax or 100% of it, your property CANNOT automatically go to tax sale. There are built in provisions, because normally with a supplemental tax, it changes the tax sale rules.

Bill Ashworth of 973 Knotty Oak Road ask for clarification if the increase will be added to this or next year. Tim explains that the .85 cents will be added to this year's tax rate. Bill asks if next year's tax rate is going to be the same as this year's tax rate before the tax increase. Tim explains that this new tax rate is for the remainder of this year. Bill asks if this tax rate will be the new tax rate for next year. Tim's response is no, the new tax rate will go up, because we are assuming a minimum 3% tax increase going forward. Bill asks if we will still be the highest in the entire State. Tim explains that although he has heard that before, you can't really compare districts because each one is different just as you cannot compare district to municipalities as they are not like items. Frank adds that this district very little commercial and industrial tax revenue.

Mary Perry of 473 Fairview Ave. asks when will the bills be received and when will they be due. Tim explains that if the referendum passes they would be delivered within a week be due probably within ninety days, unless the Board decides something different. Frank adds that due to the current state of the District it will probably be thirty days, but that would have to go to vote. Mary expresses concern over being out of town when the bill arrives (due within thirty days) and not having a way to pay as we

do not accept credit cards. Frank tells Mary to speak to the tax collector before she goes and something can be worked out.

David Gorman wants to clarify the previous conversations around the outgoing tax bill. David uses an example of a \$150.00 tax bill and asks if it is due immediately in full. Tim explains this particular bill will not be broken into quarterly payments. David asks if interest will accrue. David states that with a reasonable explanation the Board has the right to waive interest. Residential rate increase is .85 and commercial and industrial rate increase is \$1.27. Tim explains that the supplemental document will be sent along with the letter so that everyone can see where their property is at and they will know exactly how much it's going to cost. It is asked what the cost would be for the average homeowner. A \$200,000.00 home would have a supplemental tax of approx. \$155.00.

Mary Perry states that usually when a tax bill is greater than \$100.00 that it is broken into quarterly payments and asks if that is not going to be taken into consideration because it is a supplemental tax. Tim explains that the State Statute has the ability to allow for four quarterly payments without penalty, as the Board does, but if you read the Statute, taxes are due the day they are sent to your house. Tim continues that if you make it a quarterly bill then it would take up to one year to collect. The Board needs the money in a month.

John Clark (no address) asks about due date. Tim states that there will not be a thirty day grace period on top of the first thirty.

Mr. Dipadau asks the Board if they are signing a contract before the vote is held. Tim explains there is a memorandum of agreement between the Board and the Union. Mr. Dipadau asks what happens if they (Union) don't do what they say. Tim states

it's a contract, an addendum to the existing collective bargaining agreement. John D'Onofrio asks if we have an understanding or agreement. Tim states it's the same thing. It's in a preliminary stage right now because everything is contingent upon what happens next Wednesday. If the vote passes, we are going to have several referendums of understanding and/or agreements that deal with probably five different issues two which are personnel and three are collective bargaining. Mr. Dipadua asks if the Union is legally bound to the memorandum of understanding. Tim answers yes.

Frank asks to hear a motion to approve agenda item #5.

John D'Onofrio makes a motion to approve the supplemental tax of \$600,000.00 to be put before voters. Seconded by Brenda Raposo, all in favor, motion carries.

Moving to agenda item 6, Frank reads ballot questions.

1. Shall the Coventry Fire Districts Board of Directors request for a supplemental tax increase of \$600,000.00 for FY2015 be approved?  
Yes or No
2. Pursuant to RIGL, the Coventry Fire District Charter and Bylaws:  
shall the Coventry Fire District Corporation be dissolved as of Dec. 31, 2015 for the inability to meet its financial obligations Yes or No

Frank asks Tim to explain to everyone, the Board and the people present, what that question means. Tim explains that the district has to dissolve in the manner it originated, back in 1889, when the inhabitants went to the General Assembly and asked that it put it place. The only way the Board can petition the legislature, is if by the majority of voters, who say "we don't want it, and we want to dissolve it." It is not

dissolved that day. It's basically giving the Board the information required to dissolve. Once this happens a resolution has to be passed, in a public meeting. Should the Board take what the public has said and pass a resolution, that resolution goes to the General Assembly, who has to act upon it. However as we have learned from the Central Coventry Fire District, the State will probably come into the Coventry Fire District through the Fiscal Stability Act. In which case we will be left with either a financial committee, a financial overseer or receiver. If it goes to a receiver it could go into bankruptcy. That is worst case scenario. So by asking the people "do you want to dissolve" it doesn't mean it's going to dissolve. General assembly is out till Jan.

Mr. Gamlin asks if that information is going to be explained in the letter. Tim responds yes, absolutely. He explains the bottom line is if both questions are answered No, nothing changes with the exception of the Fiscal Stability Act through the order of the General and the Division of Revenue will come into the District, even without the request.

Letter to taxpayers went out today, first class and should be received by Tuesday.

Bobby Nardolillo of 916 Maple Valley Road makes a statement regarding question 2 on the ballot. He states the information given at this evenings meeting, in reference dissolving the district, is only reaching a limited audience and would play in integral part in decision making. He suggest that this information be included. Tim states that we could have people at the voting location, explain what that means.

John D'Onofrio states that at this point in time, nobody knows what happens if we dissolve this district. The Board does not have a clear answer. John would like to make a motion to the Board that this referendum item non-binding, where it would be a way an idea of what



the district wants. John continues to say that if we get a low voter turnout and dissolution gets approved, they may not know what their voting for. Discussion between John, Bobby and John takes place in regards to the information concerning the dissolution of the district. Tim states the referendum is non-binding should the Board take no action. Tim continues that the amount of information as it relates to the dissolution of the district would not be able to be put in the letter, however, once again there could be a table set up for information at the polling location. Bobby wants to make sure people have as much information as possible. John asks that if the vote is to dissolve the district, is the Board obligated to go forward with the dissolution. The answer is no.

John D'Onofrio speaks of options not yet discussed to save the District ex. selling assets, grant raising. John feels that putting those two options on a ballot at this point is disingenuous. Tim poses a question to John D'Onofrio, what happens if you don't get a tax increase? John's response is that the State would probably step in, but not a guarantee that they will. Tim states the people have the right to dissolve the district, John agrees and states that there is a mechanism in place for them to do so, even without this vote. The public can call a special meeting and with eighty signatures they can dissolve the district. John asks what happens to the people of this district if this fire station closes. A discussion ensues pertaining to various outcomes, including mutual aid from neighboring fire districts. John wants to present the cost of operating a fire district to people and ask them if they want to pay for it. If they say no, then at that point explore the options. John points out that it has been quoted in public that the Board is in favor of dissolving the district, but as a Board member, that could not be further from the truth. John states that he feels its pre mature

to talk about dissolving this fire district, without knowing the consequences.

Frank states that the district will be running out of money in a shortly and the things that Mr. D'Onofrio would like to put forward, take time, and he doesn't believe we have the time.

A motion is made to make the second question on the ballot non-binding by John D'Onofrio, seconded by John Cook, interruptions take place.

A discussion ensues around adding the words "non-binding" on the ballot. John D'Onofrio discusses mis-information through media.

Mr. Dipadua speaks of the budget meeting back in December. Tim asks why three thousand people are not here tonight and why three thousand people weren't at the informational meeting. John states he can answer part of the question stating that it was an emergency meeting, a quick meeting on a Friday night, in a small room.

Previous motion is brought back to table, roll call is taken and votes are given. Nays win 3-2 vote.

Sam Rachiele makes a motion to put on the ballot the following two questions

1. Shall the Coventry Fire Districts Board of Directors request for a supplemental tax increase of \$600,000.00 for FY2015 be approved? Yes or No
2. Pursuit to RIGL, the Coventry Fire District Charter and Bylaws: shall the Coventry Fire District Corporation be dissolved as of Dec. 31, 2015 for the inability to meet its financial obligations Yes or N

Brenda Raposo seconds that motion, a vote is taken by roll call.  
The ayes have it. Motion passes

Frank Palin asks for a motion to adjourn. John D'Onofrio makes  
that motion, seconded by Brenda Raposo, all in favor, motion  
passes.

Meeting adjourned

Respectfully submitted

Rob Catalfamo  
Tax Collector / Clerk